

Annual Shareholders' Meeting documents and trading update

Auckland, 26 October 2022: Fletcher Building is holding its 2022 Annual Shareholders' Meeting today at 10.30am NZDT. Attached are the:

- Chair's address
- Chief Executive's address
- ASM presentation

Included in the Chief Executive Officer's address is an update on trading and outlook for the FY23 year.

In his address to shareholders, CEO Ross Taylor said: "Trading in the products and distribution divisions across New Zealand and Australia remains in line with expectations, and customer indicators point to volumes remaining at or around current levels for the balance of FY23.

"We are watching lead indicators closely and we have a clear playbook if activity shows any signs of softening in the next six to nine months.

"In our Residential and Development division, house prices and margins are in line with expectations, and are running at around 10% below the peak levels reached in December 2021. House sales volumes have been mixed; solid through July and August, softer in September, but customer visitation levels have been picking up positively into the spring sales season.

"Group earnings and cash flows are expected to be weighted to the second half of FY23, this is due to the timing of revenues and working capital builds in the Residential and Development and Construction divisions.

"And finally, we reconfirm our FY23 EBIT target, of \$855 million or better."

Fletcher Building also outlined its refreshed sustainability strategy which includes a new commitment to achieve a target of net zero carbon emissions by 2050.

Ross Taylor said: "Our sustainability strategy focuses on what is most important to our business and to others - our people, communities, customers, key stakeholders and investors - and where our actions will lead to meaningful change. It is anchored by our purpose, 'Improving the world around us through smart thinking, simply delivered.' Five strategic goals provide the focus we need to deliver against the measures we are holding ourselves accountable to: A safe, diverse and inclusive workplace; our community at the heart of what we do; net positive environmental impact; leading the way in sustainable building products & solutions; and circular economy commitment across our businesses.

"Our sustainability strategy reflects our genuine commitment to making a positive impact through delivery of both aspirational and achievable goals. We are already on track to reduce our CO₂ emissions by over 30% by 2030. Now, we are enhancing our efforts to put sustainability at the core of our business and to set even more ambitious targets for our performance. We have set out a clear roadmap for achieving net zero carbon emissions across our business by 2050 at the latest.

"We believe businesses like ours have an important role to play in creating positive future outcomes. Our people and society expect us to act responsibly. At the same time, regulatory environments are increasingly demanding change and both our customers and investors are challenging us to meet the expectations of the communities we are part of. For our part we are choosing to take a leadership position to respond to our changing world, not because we have to, but because we know it is the right thing to do."

#Ends

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